

RESOLUTION NO. _____

A RESOLUTION EXPRESSING THE INTENT TO REDEEM THE PROMISSORY NOTE ISSUED PURSUANT TO ORDINANCE NO. 8374; TO ISSUE BONDS, NOTES, OR OTHER CERTIFICATES OF INDEBTEDNESS PURSUANT TO ACT 1197 OF 2001, AS AMENDED; AND FOR OTHER PURPOSES.

WHEREAS, on December 28, 2006, the North Little Rock City Council ("City Council") adopted Ordinance No. 7896 creating the Redevelopment District of the City of North Little Rock, Arkansas #2 ("Lower Baring Cross Redevelopment District") under the authority of the Constitution and laws of the State of Arkansas, including particularly Act No. 1197 of 2001 codified at Arkansas Code Annotated (2005 Supp.) Sections 14-168-301 et seq. (as from time to time amended, the "Act"); and

WHEREAS, on September 26, 2011, the City Council adopted Ordinance No. 8374 authorizing the issuance of a promissory note (the "Interim Note") in the amount of \$1,300,000 to finance the cost of constructing waterworks, sewers, and grading, paving, curbing and guttering streets and laying sidewalks (the "Project") that serve the real property located within the boundaries of the Lower Baring Cross Redevelopment District; and

WHEREAS, the Interim Note was issued pursuant to the authority of Amendment 78 to the Constitution of the State of Arkansas ("Amendment 78") and the Act; and

WHEREAS, the City Council intended that debt service on the Interim Note would be paid with the positive tax increments of the Lower Baring Cross Redevelopment District (the "tax increments"); and

WHEREAS, the tax increments were not sufficient during the term of the Interim Note to pay principal due prior to maturity of the Interim Note; and

WHEREAS, development within the Lower Baring Cross Redevelopment District has occurred since the Interim Note was issued, and the tax increments have increased to an amount that appears sufficient to provide for the amortization of a bond, note, or other evidence of indebtedness that could be issued to provide permanent financing of the costs of the Project; and

WHEREAS, the City Council now desires to pay all outstanding principal and accrued interest with respect to the Interim Note and issue bonds, notes, or other evidences of indebtedness secured by the tax increments pursuant to the Act, in an amount sufficient to reimburse the City of North Little Rock, Arkansas for all Project costs of the Lower Baring Cross Redevelopment District, including particularly, the amounts paid to satisfy the principal and interest with respect to the Interim Note on or prior to its maturity on October 27, 2016 and the costs of issuance associated with such bonds, notes or other evidence of indebtedness.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTH LITTLE ROCK, ARKANSAS:

SECTION 1: That the Finance Director is hereby directed to take such actions as may

be deemed necessary or advisable, including the employment of professional municipal advisors or placement agents, to arrange for:

- A) The payment of all outstanding principal and accrued interest with respect to the Interim Note; and
- B) The issuance of bonds, notes, or other evidences of indebtedness secured by the tax increments pursuant to the Act, in an amount sufficient to reimburse the City of North Little Rock, Arkansas for all Project costs of the Lower Baring Cross Redevelopment District, including particularly, the amounts paid to satisfy the principal and interest with respect to the Interim Note on or prior to its maturity on October 27, 2016 and the costs of issuance associated with such bonds, notes or other evidence of indebtedness.

SECTION 2: That the Mitchell Williams law firm has been selected to serve as bond counsel with Michele Allgood as the attorney in charge of representation.

SECTION 3: That the City Attorney shall review all contracts or agreements prepared in furtherance of this resolution prior to execution.

SECTION 4: That the Mayor is authorized to cause the preparation of official reports and statements and take such other action as may be advisable to prepare for the issuance, sale, and delivery of bonds, notes, or other evidences of indebtedness contemplated by this resolution.

SECTION 5: That this Resolution shall be in full force and effects from and after its passage and approval; however, final actions contemplated by this Resolution will require additional approval of City Council.

PASSED:

APPROVED:

Mayor Joe A. Smith

SPONSOR:

ATTEST:


Mayor Joe A. Smith

Diane Whitbey, City Clerk

APPROVED AS TO FORM:


C. Jason Carter, City Attorney

PREPARED BY THE OFFICE OF CITY ATTORNEY/JC

FILED 11:35 A.M. _____ P.M.

By Atty Carter

DATE 8-16-16

**Diane Whitbey, City Clerk and Collector
North Little Rock, Arkansas**

RECEIVED BY S. Ussey